25X1 Approved For Release 2008/09/03: CIA-RDP80-00810A006800710006-6 CLASSIFICATION S-E-C-R-E-T CENTRAL INTELLIGENCE AGENCY REPORT INFORMATION REPORT CD NO. COUNTRY DATE DISTR. East Germany 13 June 1955 Construction Plans and Deliveries by SUBJECT NO. OF PAGES 1 2 East Germany to Communist China **PLACE** NO. OF ENCLS. (LISTED BELOW) 25X1 ACQUIRED 25X1 DATE OF SUPPLE INFO. REPORT THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES, WITHIN THE MEANING OF TITLE 18, SECTIONS 793 IND 794, OF THE U.S. CODE, AS AMENDED. ITS TRANSMISSION OR REVEL-TITION OF 175 CONTENTS TO OR RECEIPT BY AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW THE REPRODUCTION OF THIS FORM IS PROHIBITED 25X1 THIS IS UNEVALUATED INFORMATION

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an indicate a large armament plant, a metallurgical plant, a rolling mill, and a power plant. It will also include a plant for the manufacture of electrical equipment. German contractors such as Bau-Union Rostock partake in this Chinese project, work on which was started in January 1955. Up to the present, only working staffs have been sent to China. At the same time, projects are being worked out for a metallurgical combine to be erected by the GDR in North Korea.

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The present report confirms earlier reports indicating that the GDR will partake to an increasing extent in China's industrialization by furnishing drafts, mechanical equipment, and labor forces. According to the 1955 export plan, 42 percent of the GDR machine tool exports will be delivered to China. During the Leipzig Spring Fair, a contract providing for the delivery of 80 million rubles worth of power plants and two cement plants was signed by representatives of MI. At the Leipzig VEB Transportanlagen, a complete cableway is under construction which is to be delivered to China. At the Brandenburg VEB Ingenieurtiefbau, special workers and construction engineers have been recruited for the Korean reconstruction program. The GDR's commitments to China and Korea have led to controversies between the different GDR ministries. The Ministry for the Heavy Industry has declared itself unfit to fulfill the export plans for power plants even if Czechoslovakia lends a helping hand. This opposition of the Ministry for the Heavy Industry against the planned delivery of power plants ta the in view of the fact that this ministry has not targets for power plants in any of the years this non fulfilment of the production plan for

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CENTRAL INTELLIGENCE-AGENCY

REPORT

INFORMATION REPORT --- 1944

COUNTRY

East Cermany

DATE DISTR.

13 June 1955

SUBJECT

Construction Plans and Deliveries by East Germany to Communist China

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SUPPLE REPORT

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In mid-1954, the GDR received orders to draw up plans for the construction of an industrial combine to be erected in the environs of Peking. This combine is to include a large armament plant, a metallurgical plant, a rolling mill, and a power plant. It will also include a plant for the manufacture of electrical equipment. German contractors such as Bau-Union Rostock partake in this Chinese project, work on which was started in January 1955. Up to the present, only working staffs have been sent to China. At the same time, projects are being worked out for a metallurgical combine to be erected by the GDR in North Korea.

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Comment:

Ministry of Foreign and Domestic Trade

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